

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office

March 18, 1999 LB 142

General File. There are Revenue Committee amendments,
Mr. President.

PRESIDENT MAURSTAD: Senator Wickersham.

SENATOR WICKERSHAM: Mr. President and members of the body, LB 142 is a bill that is brought to you to implement a constitutional amendment passed last fall by the voters and approved by you, initially, as a part of 45CA. The amendment that was adopted to the constitution requires that motor vehicle taxes be distributed exclusively to schools, to municipalities and to counties. Now the bill, as brought to you, proposes that the motor vehicle tax that is collected be divided among those three governmental bodies, 50 percent to the schools, 25 percent to counties, 25 percent to municipalities; 50 percent to municipalities if the car is registered outside...if the residence of the owner is outside the boundaries of a municipality. What was the rationale for that proposal in the bill as it was proposed to the Revenue Committee? We're anticipating that the levy structure in a couple of years will be a maximum of \$1 for schools, 50 cents for municipalities as a maximum, 45 cents regular, 5 cents for interlocal agreements, 45 cents for counties with an extra 5 cents for interlocal agreements. So the maximum levies between those three entities, the regular levies would be \$1 for schools, 50 cents for municipalities, 50 cents for counties, adds up to \$2. The school portion is 50 percent of that, the municipality portion 25 percent, county's portion of that is also 25 percent. Now if we get, when we get to the committee amendments, and I would note for you that I do not expect to get to the committee amendments today. In fact, I suspect that after the close of this opening that we will probably have a motion to adjourn because this is not a bill that we can take up for a full discussion today because the kind of bland description that I have given you of the effects of the green copy of the bill involves millions of dollars. Millions of dollars are shifted from one kind of political subdivision to another by the proposal that I'm describing. And there are political subdivisions that previously received a share of motor vehicle taxes that will no longer receive a share of motor vehicle taxes. And in some cases, that's millions of dollars, and it is in part some of those concerns that has caused Senator Beutler